

## **Notes on the Sixth Meeting of Convenors and Friends in 2020**

**5 November 2020**

1. The sixth meeting for 2020 between Convenors and Friends and the President of IFAD took place on Thursday, 5 November 2020. The meeting was held virtually via the Zoom meeting application.

### **Agenda item 1: Opening remarks by the President and adoption of the agenda**

2. The President welcomed participants to the sixth meeting of the year. Friends in attendance were, for List B: Ms Lamia Ben Redouane, from Algeria and Dr Yaya O. Olaniran, from Nigeria; for sub-List C1: Mr Médi MOUNGUI, from Cameroon; for sub-List C2: Mr Bommakanti Rajender, from India and, for sub-List C3: H.E. Carlos Bernardo Cherniak, from Argentina.
3. The President updated Convenors on the Fund's response to the impact of COVID-19 on its operations, informing of the use of remote design and supervision missions and the use of mobile phone-based data to help meet impact assessment commitments for IFAD11. He shared additional information on the support being provided through the Rural Poor Stimulus Facility (RPSF).
4. The President shared concerns with regard to delays experienced in concluding Host Country Agreements (HCA) and informed the group that 15 HCAs were either under negotiation or pending ratification. Delays mainly related to Privileges and Immunities for nationally recruited staff and consultants and had a negative impact on the Fund's decentralization efforts. These concerns would be shared with the Executive Board in the future. As a first step, the President asked Convenors for guidance and suggestions.
5. The group acknowledged the complexities of the issue, potential political sensitivities and, in some cases, restrictions imposed by national laws. Speaking from experience, one representative underlined the importance of working closely with the Member State and the Permanent Representation. Convenors would continue to be updated on developments.

### **Agenda item 2: 131st session of the Executive Board (EB131) (virtual) and related events**

6. Management informed the group that the 131<sup>st</sup> session of the Executive Board would be convened over two sets of meetings, on 23 November and again on 7, 8 and 9 December. Management provided an overview of the Board agenda and related events and highlighted a number of strategic items.
7. Referring to IFAD's proposed programme of work and budget for 2021, and looking to the future, Management noted that a zero-real growth approach would not be sustainable given the impact of an increasing Programme of Loans and Grants, increased decentralization etc., and proposed this as a topic for discussion at the next Board retreat in April 2021, conditions permitting.
8. Considering ongoing discussions on the use of the regular grants programme in the IFAD12 replenishment consultation, List A requested that the item be removed from the EB131 agenda List C endorsed the proposal and List B

concluded. Management agreed that the IFAD grants policy would be submitted to the Executive Board for approval at its session in April 2021.

9. Clarification was provided on the proposed amendments to IFAD's basic legal texts and the process for their review and approval. After review by the Audit Committee at its meeting in November 2020, the Executive Board would be asked to approve the proposed amendments to the General Conditions for Agricultural Development Financing and to recommend that draft resolutions on the amendments to the Agreement Establishing IFAD, the Policies and Criteria for IFAD Financing, and the Financial Regulations of IFAD be submitted to the forty-fourth session of the Governing Council in February 2021 for consideration and adoption.
10. Other agenda items highlighted by Management included the Fund's proposed regional operation in the Sahel which showcased RBA collaboration and the proposal for the rural livelihoods development project in Yemen which, like the Sahel programme, demonstrated IFAD's work in fragile situations. Members expressed support for these initiatives. The topic of the strategic discussion with the President, scheduled for 7 December, would be the 26th UN Climate Change Conference (COP26). A document including guiding questions to facilitate dialogue would be issued in advance of the session.
11. As agreed, Management would provide the Board with regular updates on IFAD's engagement in the United Nations Development System reform and the Funding Compact. In this regard, Convenors' were invited to indicate their preference on the frequency of such updates considering the need to avoid overburdening session agendas.
12. The sub-List C2 Convenor recalled that Executive Board Representatives participating from Asia faced challenges due to the different time zones and meeting schedule. Management acknowledged the challenges faced by participants from Asia, due to the time difference, and committed to making every effort to adhere to meeting schedules.
13. Noting that the reports of the chairpersons of subsidiary bodies were presented to the Board for information, the sub-List C2 Convenor underlined the importance of their timely publication and proposed that these documents may be opened for comments online and that information be shared on modifications made to documents as a result of discussions at informal seminars. Management clarified that the chairs of the subsidiary bodies were given the floor to introduce items reviewed by the body in question, thus sharing the outcomes of the deliberations with the Board.

### **Agenda item 3: Consultation on the Twelfth Replenishment of IFAD's Resources (IFAD12)**

14. Management noted the progress made at the Third Session of the Consultation on key items in support of the Fund's ambitions to double its impact by 2030. The discussion on graduation had been constructive and efforts continued to resolve outstanding issues and to reach consensus. A note on graduation would be included as an annex to the IFAD12 draft Report which, together with the draft resolution, would be shared with Members in the coming weeks for comments.

15. Management thanked Members for the strong support for IFAD12 scenarios D and E, and acknowledged Members' request to be cautious in setting the IFAD12 target. Management informed the group that it would focus on Scenario D in preparing the forthcoming version of the IFAD12 report.
16. Members and Management highlighted areas requiring careful consideration:
- The level of regular and DSF grants, considering possibility that more countries will fall into debt distress. Several members had asked for the size of the regular grants programme to be reduced to provide more space for DSF grants;
  - Voting rights for contributions to ASAP+ and PSFP. Based on the feedback received during the Third Session and in subsequent consultations, the proposal to attribute voting rights for contributions to these programmes would be removed; and,
  - Graduation. Further discussions were required on the commitment to present a graduation policy to the Executive Board, the timing thereof and the role of the Executive Board in decisions on completion and/or renewal of COSOPs for countries above the graduation threshold. Members concurred on the politically sensitive nature of discussions on the topic of graduation and voiced differing opinions on when a graduation policy should be finalized. One recommendation was to omit reference to approval of the policy by September 2021 from the IFAD12 matrix as sensitive issues should not be subject to time frames. Another recommendation was to have a policy in place at the beginning of the IFAD12 period.
17. The IFAD12 report and resolution would be posted for comments on the Member States Interactive Platform and Members were encouraged to use this opportunity to express country positions. The report and resolution would be revised as necessary to reflect feedback received.
18. The Sub-list C1 Convenor raised the issue that, to date, Members had not reached consensus on the Fund's position on capital market borrowing. He advised Management keep the option open and facilitate discussions. In the meantime, he proposed that the Fund carry out a pilot market borrowing exercise which the Executive Board would then evaluate with a view to deciding on the way forward.
19. Members welcomed the continuation of bi-lateral talks convened by the External Chairperson of the Consultation. Management encouraged Members to strive to reach agreement before the upcoming meeting in December as this would contribute to creating a conducive pledging environment for Member States.
20. Management recalled that the fourth session of IFAD12 would be held over two sittings, the first on 10 and 11 December 2020 and the second on 16 February 2021, the day before the Governing Council session, to facilitate the announcement of pledges. In line with the practice established in IFAD 11, Consultation Members' no objection to the proposal to open pledging sessions to non-Members of the Consultation who wish to announce their pledges, would be sought.

#### **Agenda item 4: Update on the Forty-fourth session of the Governing Council**

21. Management announced that amendments to the Rules of Procedure of the Governing Council had been approved through a vote by correspondence, thus enabling the Fund to hold meetings by virtual means, when necessary, and ensuring greater flexibility in decision-making, thus safeguarding business continuity.
22. Management confirmed that, with the agreement of the GC Bureau, the forthcoming session of the Governing Council would be fully virtual given uncertainties linked to COVID-19.
23. The theme of the Council session had been identified as: Rural development: a prerequisite for global resilience. The session would be held on 17 and 18 February with meetings lasting between 3 and 4 hours.
24. The Indigenous Peoples' Forum would take place in February, with the concluding meeting taking place on 15 February to which all Member States would be invited. A summary of the Forum deliberations would be presented at the Governing Council session.
25. A draft programme for the Governing Council session would be shared with the Board for information at the forthcoming December session. It was noted that the Board had approved the draft agenda for the session at its last meeting in September.
26. Management was working to ensure a smooth, engaging and dynamic session allowing for active participation by members. Members welcomed this and agreed that their experience at large virtual conferences had seen minimal opportunity for participants to interact. Members invited Management to innovate and seek ways of involving participants particularly in the interactive events.
27. Convenors were reminded that the Governing Council would be invited to elect the members and alternate members of the Executive Board for the three-year term of office (2021-2023). Convenors were invited to inform their respective Lists accordingly and subsequently inform the Secretariat of the proposed members and alternate members representing their respective Lists and sub-Lists well in advance of the Governing Council.
28. The Secretary of IFAD provided an update on the automated online voting system. Testing sessions were being organized to gather feedback from Member States with a view to responding to their needs and addressing concerns. Members noted that the proposed introduction of an automated voting system was timely in view of the upcoming appointment of the President of the Fund.
29. Responding to a question on the timeline for the appointment of the President, the group was informed that the deadline for receipt of nominations from Member States was Monday, 23 November (midnight, Rome time). Nominations, together with candidates' CVs, would be communicated to all Members no later than 15 December 2020, and would be published on a dedicated page on the Member States Interactive Platform.

**Agenda item 5: Other business**

30. No other business was raised and the meeting was adjourned. Barring any need to convene an emergency meeting, Convenors and Friends would meet again in 2021.